



DEPARTMENT OF COMMERCE

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Census Bureau

Submission for OMB Review; Comment Request

The Department of Commerce will submit to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act.

*Agency:* U.S. Census Bureau.

*Title:* Automated Export System.

*OMB Control Number:* 0607-0152.

*Form Number(s):* Automated Export System (AES).

*Type of Request:* Revision of a currently approved collection.

*Number of Respondents:* 287,314 firms filing 17,315,950 AES transactions annually.

*Average Hours Per Response:* 3 minutes per AES transaction.

*Burden Hours:* 865,798.

*Needs and Uses:* The Census Bureau requires mandatory filing of all export information via the AES. This requirement is mandated through Public Law 107-228 of the Foreign Trade Relations Act of 2003. This law authorizes the Secretary of Commerce with the concurrences of the Secretary of State and the Secretary of Homeland Security to require all persons who file export information according to Title 13, United States Code (U.S.C.), Chapter 9, to file such information through the AES.

The AES is the primary instrument used for collecting export trade data, which are used by the Census Bureau for statistical purposes. The AES record provides the means for collecting data on U.S. exports. Title 13, U.S.C., Chapter 9, Sections 301-307, mandates the collection of these data. The regulatory provisions for the collection of these data are contained in the Foreign Trade Regulations (FTR), Title 15, Code of Federal Regulations (CFR), Part 30. The official export statistics collected from these tools provide the basic component for the compilation of the U.S. position on merchandise trade. These

data are an essential component of the monthly totals provided in the U.S. International Trade in Goods and Services (FT-900) Press Release, a principal economic indicator and a primary component of the Gross Domestic Product. The published export data enable U.S. businesses to develop practical marketing strategies as well as provide a means to assess the impact of exports on the domestic economy. These data are used in the development of U.S. government economic and foreign trade policies, including export control purposes under Title 50, U.S.C., Export Administration Act. The Bureau of Industry and Security (BIS), U.S. Customs and Border Protection (CBP), and other enforcement agencies use these data to detect and prevent the export of certain items by unauthorized parties to unauthorized destinations or end users. This information is noted in the ACE AESDirect User Guide.

In order to publish accurate export trade statistics, the Census Bureau is responsible for maintaining the Foreign Trade Regulations (FTR), which implement the provisions for reporting the Electronic Export Information (EEI) in the AES. In addition to

the publication of the FT-900, the Census Bureau releases data on imports of steel mill products in advance of the regular monthly trade statistics release. This exception to the normal procedure was initially approved by the Office of Management and Budget (OMB) in January 1999 and has been subsequently extended annually through means of a separately submitted memo. This exception has permitted the public release of preliminary monthly data on imports of steel under the provisions of the OMB's Statistical Policy Directive No. 3 on the Compilation, Release and Evaluation of Principal Federal Economic Indicators. With this planned revision to the AES Program, the Census Bureau requests that provisions for the early release of preliminary steel mill import statistics be included in the clearance, thereby eliminating the need for a separate annual re-approval from OMB for the early release. See Attachment F for the Preliminary Report on U.S. Imports for Consumption of Steel Products.

Currently, the Census Bureau is drafting a Notice of Proposed Rulemaking (NPRM) to clarify the responsibilities of parties participating in routed and standard export

transactions. The draft rule has received concurrence from the U.S. Department of State (State Department) and the Department of Homeland Security (DHS). Though concurrence was received from State Department and DHS, it is important to note that the Department of Commerce's Bureau of Industry and Security (BIS) administers the Export Administration Regulations (EAR) that also govern routed export transactions. BIS has also drafted a NPRM to revise the EAR as it pertains to routed export transactions. Both rules have required extensive review and coordination with each agency to ensure that there are no discrepancies or contradictory language in either NPRM. The Census Bureau is working with BIS to receive concurrence in order to publish the NPRM. The goal is to publish both NPRMs around the same time in order to allow the trade community an opportunity to review the proposed requirements as they relate to both filing and licensing responsibilities in a routed export transaction.

The draft rule also proposes to revise and add several key terms used in the regulatory provision of these transactions, including authorized agent, forwarding agent,

standard export transaction and written release. While revisions to the FTR are necessary to improve clarity to the filing requirements for the routed export transaction, it is critical for the Census Bureau to ensure that any revisions made to the FTR will allow for the continued collection and compilation of complete, accurate and timely trade statistics.

Additionally, it is important that the responsibilities of the U.S. Principal Party in Interest (USPPI) and the U.S. authorized agent are clearly defined to ensure that the EEI is filed by the appropriate party to prevent receiving duplicate filings or in some cases, no filings.

The changes proposed in the NPRM will not have an impact on the reporting burden of the export trade community.

The information collected via the AES conveys what is being exported (description and commodity classification number), how much is exported (quantity, shipping weight, and value), how it is exported (mode of transport, exporting carrier, and whether containerized), from where (state of origin and port of export), to where (port of unloading and country of ultimate destination), and when a commodity is exported (date of

exportation). The identification of the USPPI shows who is exporting goods. The USPPI and/or the forwarding or other agent information provides a contact for verification of the information.

The information collected via the AES is used by the U.S. Federal Government and the private sector. The data collected from the AES serves as the official record of export transactions. The mandatory use of the AES enables the Federal Government to produce more complete, accurate and timely export statistics. The Census Bureau delegated the authority to enforce the FTR to the BIS's Office of Export Enforcement along with the DHS's U.S. Customs and Border Protection (CBP) and Homeland Security Investigations (HSI). The mandatory use of the AES also facilitates the enforcement of the EAR for the detection and prevention of exports of national security sensitive commodities to unauthorized destinations by the BIS and the CBP; the International Traffic in Arms Regulations by the U.S. Department of State for the exports of defense articles; the validation of the Kimberly Process Certificate for the exports of rough diamonds; and

regulations pertaining to other federal agencies export requirements. (i.e. Environmental Protection Agency, Drug Enforcement Agency, etc.)

Other Federal agencies use these data to develop the components of the merchandise trade figures used in the calculations for the balance of payments and Gross Domestic Product accounts to evaluate the effects of the value of U.S. exports; to plan and examine export promotion programs and agricultural development and assistance programs; and to prepare for and assist in trade negotiations under the General Agreement on Tariffs and Trade. Collection of these data also eliminates the need for conducting additional surveys for the collection of information as the AES shows the relationship of the parties to the export transaction (as required by the Bureau of Economic Analysis). The Bureau of Labor Statistics also use these AES data as a source for developing the export price index and by the U.S. Department of Transportation for administering the negotiation of reciprocal arrangements for transportation facilities between the U.S. and other countries. Additionally, a collaborative effort amongst the Census Bureau, the National Governors' Association and



other data users resulted in the development of export statistics requiring the state of origin to be reported on the AES. This information enables state governments to focus activities and resources on fostering the exports of goods that originate in their states.

Export statistics collected from the AES aid private sector companies, financial institutions, and transportation entities in conducting market analysis and market penetration studies for the development of new markets and market-share strategies. Port authorities, steamship lines, airlines, aircraft manufacturers, and air transport associations use these data for measuring the volume and effect of air or vessel shipments and the need for additional or new types of facilities.

The International Trade Administration relies heavily on the preliminary import statistics of steel mill products provided by the Census Bureau. In 1999, as a part of the federal government's steel initiative, the Department of Commerce was instructed by the White House administration to monitor steel imports so that industry could monitor trends and take appropriate action. Currently, the steel industry faces a similar situation further

necessitating the preliminary publication of these statistics. The early release of preliminary statistics on steel mill imports provides the public with an early warning of any potential shifts in trade patterns in this important industry. A variety of parties, including government officials and the public with an interest in imports of steel products continue to use this monitoring system heavily.

The importer of record or its licensed customs broker file electronic entry summaries through the ACE, and file paper import entry summaries (CBP-7501) or paper records of vessel foreign repair or equipment purchase (CBP-226) directly with CBP in accordance with 19 CFR parts 1-199. The FTR, subpart F addresses the general requirements for filing import entries with CBP in the ACE in accordance with 19 CFR, which is the source of the import data on steel mill products.

*Affected Public:* Business or other for-profit.

*Frequency:* On occasion.

*Respondent's Obligation:* Mandatory.

*Legal Authority:* Title 13 United States Code, Chapter 9, Section 301.

This information collection request may be viewed at *www.reginfo.gov*. Follow the instructions to view Department of Commerce collections currently under review by OMB.

Written comments and recommendations for the proposed information collection should be sent within 30 days of publication of this notice to

OIRA\_Submission@omb.eop.gov or fax to (202)395-5806.

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